UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: CABRINI MEDICAL CENTER, Debtor.	Chapter 11 Case No. 09-14398 (AJG)

ORDER (I) APPROVING FIRST AMENDED DISCLOSURE STATEMENT; (II) SCHEDULING HEARING ON CONFIRMATION OF THE FIRST AMENDED PLAN; (III) ESTABLISHING A DEADLINE AND PROCEDURES FOR FILING OBJECTIONS TO CONFIRMATION OF THE FIRST AMENDED PLAN; (IV) ESTABLISHING A DEADLINE AND PROCEDURES FOR TEMPORARY ALLOWANCE OF CLAIMS FOR VOTING PURPOSES; (V) ESTABLISHING THE TREATMENT OF CERTAIN CONTINGENT, UNLIQUIDATED AND DISPUTED CLAIMS FOR NOTICE AND VOTING PURPOSES; (VI) APPROVING FORM AND MANNER OF NOTICE OF HEARING ON CONFIRMATION AND RELATED ISSUES AND APPROVING PROCEDURES FOR DISTRIBUTION OF SOLICITATION PACKAGES; (VII) APPROVING FORM OF BALLOT; AND (VIII) ESTABLISHING A VOTING DEADLINE FOR RECEIPT OF BALLOTS

WHEREAS, on December 21, 2010, Cabrini Medical Center ("Cabrini" or the "Debtor"), as debtor and debtor in possession, and the Official Committee of Unsecured Creditors of the Debtor (the "Committee") filed a proposed joint plan of liquidation under chapter 11 of the Bankruptcy Code (the "Plan"), and a disclosure statement, ("Disclosure Statement"), pursuant to section 1125 of title 11 of the United States Code (the "Bankruptcy Code"), related to the Plan;[1] and

[1] Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion (defined below).

WHEREAS, on December 22, 2010, this Court entered an Order scheduling the hearing on the Disclosure Statement (the "Disclosure Statement Hearing"), prescribing the method of serving notice of the Disclosure Statement Hearing and the procedures for objecting to the Disclosure Statement (the "Scheduling Order"); and

WHEREAS, Kurtzman Carson Consultants ("KCC"), the Court-appointed noticing agent in the above-captioned chapter 11 cases, served the Disclosure Statement Hearing Notice setting forth the date and time of the Disclosure Statement Hearing and setting forth procedures for objecting to the Disclosure Statement; as confirmed with the Affidavit of Service filed with the Court on January 9, 2011; and

WHEREAS, on December 23, 2010, the Debtor, filed a motion (the "Motion") for entry of an order, pursuant to sections 105 and 1125(b) of the Bankruptcy Code and Rules 2002, 3017, 3020 and 9007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (i) approving the Disclosure Statement; (ii) scheduling a hearing on confirmation of the Plan; (iii) establishing a deadline and procedures for filing objections to confirmation of the Plan; (iv) establishing a deadline and procedures for temporary allowance of Claims for voting purposes; (v) establishing the treatment of certain contingent, unliquidated and disputed claims for notice and voting purposes; (vi) approving the form of notice of the hearing to consider confirmation of the Plan and related issues and approving procedures for distribution of solicitation packages; (vi) approving the form of ballot; and (vii) establishing a Voting Deadline for receipt of ballots; and

WHEREAS, an Objection to the Disclosure Statement has been filed by the Mannucci Parties on January 11, 2011 [Docket No. 541], and no other objections or responses having been filed; and

WHEREAS, on January 25, 2010, the Debtor filed its First Amended Plan (as may be further amended, "Amended Plan"), and First Amended Disclosure Statement ("Amended Disclosure Statement"); and

WHEREAS, the hearing to consider the adequacy of the Amended Disclosure Statement and to consider the relief requested in the Motion was held on January 26, 2011.

NOW, THEREFORE, based upon the Court's review of the Amended Disclosure Statement and the materials to be transmitted therewith and consideration of the arguments of counsel, and sufficient cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED that:

A. Proper, adequate and sufficient notice of the Motion, the Disclosure Statement Hearing and the deadline for filing objections to the Disclosure Statement was provided to all creditors and parties in interest in accordance with the Scheduling Order.

B. The Amended Disclosure Statement, as it may have been or may be further modified to reflect changes made or ordered on the record at the Disclosure Statement Hearing, contains "adequate information" within the meaning of section 1125(a) of the Bankruptcy Code.

C. The procedures proposed in the Motion are reasonable and appropriate.

IT IS HEREBY ORDERED that:

Approval of the Amended Disclosure Statement

1. The relief requested in the Motion is granted in all respects, as more fully described below.

2. Pursuant to Bankruptcy Rule 3017(b), the Amended Disclosure Statement, as it may be further modified to reflect changes made or ordered on the record at the Disclosure Statement Hearing, is approved in all respects. Any and all objections to the Motion not otherwise settled or withdrawn are hereby overruled.

Confirmation Hearing Date

3. Pursuant to Bankruptcy Rule 3017(c), the hearing to consider confirmation of the Amended Plan, as such Amended Plan may be further modified or amended, shall commence on March 30, 2011 at 9:30 a.m. (prevailing Eastern Time), or as soon thereafter as counsel can be heard, before the Honorable Arthur J. Gonzalez, Chief United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, Room 523, New York, New York (the "Confirmation Hearing"). The Confirmation Hearing may be continued from time to time by announcing such continuance in open court, all without further notice to parties in interest, and the Amended Plan may be modified pursuant to section 1127 of the Bankruptcy Code prior to, during, or as a result of the Confirmation Hearing, without further notice to parties in interest; *provided, however,* that such modifications or

amendments do not materially and adversely affect any class of claims in the Amended Plan.

Deadline and Procedures for Filing Objections to Confirmation

4. Pursuant to Bankruptcy Rule 3020(b)(1), March 16, 2011 at 5:00 p.m. (prevailing Eastern Time) is fixed as the last date for filing and serving objections to confirmation of the Amended Plan (the "Objection Deadline").

5. To be considered, objections to confirmation of the Amended Plan must: (i) be in writing; (ii) state with particularity the grounds therefor and all evidence that will be presented in support thereof; (iii) be filed electronically with the Clerk of the Bankruptcy Court for the Southern District of New York, with a courtesy copy delivered to Judge Gonzalez's Chambers; and (iv) served in accordance with Bankruptcy Rule 3020(b) and this paragraph so that they are actually received no later than the Objection Deadline by the following:

For the Debtor:

CABRINI MEDICAL CENTER
P.O. Box 10
Maspeth, New York 11378
Attn: Monica Terrano

with copies to:

TOGUT, SEGAL & SEGAL LLP
Attorneys for the Debtor
One Penn Plaza, Suite 3335
New York, New York 10119
Telephone: (212) 594-5000
Facsimile: (212) 967-4258
Attn: Frank A. Oswald, Esq.
James Lee, Esq.

For the Creditors' Committee:

ALSTON & BIRD LLP
90 Park Avenue
New York, New York 10016
Telephone: (212) 210-9400
Facsimile: (212) 210-9444
Attn: Martin G. Bunin, Esq.
Craig E. Freeman, Esq.

Objections that do not contain the information described above and that are not filed and served by the Objection Deadline in the manner as set forth above will not be considered and shall be overruled.

Notices of Confirmation Hearing and Related Issues;
Content and Transmittal of Solicitation Packages, Including Ballots

6. Pursuant to Bankruptcy Rules 2002 and 3017(d), the Debtor shall transmit or cause to be transmitted to certain creditors, as set forth below, on or before February 4, 2011 (the "Solicitation Deadline"), a solicitation package (the "Solicitation Package") containing a copy or conformed version of: (a) a notice (the "Confirmation Hearing Notice"), substantially in the form attached as Exhibit 2 to the Motion, of (i) the approval of the Amended Disclosure Statement, (ii) the date of the Confirmation Hear-

ing, (iii) the deadline and procedures for filing objections to confirmation of the Amended Plan, (iv) the deadline and procedures for temporary allowance of claims for voting purposes; (v) the treatment of certain contingent, unliquidated and disputed claims for notice and voting purposes; and (vi) the voting deadline for receipt of ballots; (b) the Amended Disclosure Statement; (c) the Amended Plan (which shall be furnished in the Solicitation Package as Exhibit 1 to the Amended Disclosure Statement); (d) this Order; and (e) to creditors entitled to vote, a ballot for creditors holding claims in Class 1-B, Class 3-A, Class 3-B and Class 4 with instructions attached thereto (and a pre-addressed return envelope). The Debtor shall provide copies of items (a) through (d) of the Solicitation Package to the Office of the United States Trustee, counsel to the Committee and those persons who have requested notice pursuant to Bankruptcy Rule 2002. The Solicitation Package may be sent in paper or CD-ROM format, provided that the Confirmation Hearing Notice and Ballot shall be paper.

7. The Debtor shall mail or cause to be mailed the Solicitation Package to those creditors who are entitled to vote on the Amended Plan (*i.e.*, (i) creditors holding claims in Class 1-B, Class 3-A, Class 3-B and Class 4 who have filed a timely proof of claim[2] as to which no pending objection has been filed no later than the Solicitation Deadline or, (ii) if no proof of claim has been timely filed, those creditors in Class 1-B, Class 3-A, Class 3-B and Class 4 listed on the Debtor's schedules of assets and liabilities (collectively, the "Schedules") as holding liquidated, non-contingent and undisputed

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2 For purposes of this Order, timely filed proofs of claim shall include proofs of claim deemed timely filed by the Court.

claims, or whose claims have been temporarily allowed for voting purposes). The Debtor shall not be required to provide the Solicitation Package or Confirmation Hearing Notice or any other notice on account of claims that have been satisfied, waived, withdrawn, disallowed or expunged as of the date of solicitation.

8. The Debtor also proposes to mail a copy of the Confirmation Hearing Notice to creditors scheduled as unliquidated, contingent and/or disputed that did not file a proof of claim.

Deadline and Procedures for Temporary
Allowance of Claims for Voting Purposes

9. Any holder of an objected to, contingent, unliquidated, or disputed claim seeking to have such claim temporarily allowed for voting purposes shall file by February 18, 2011 at 5:00 p.m. (prevailing Eastern Time) a motion for temporary allowance of those claims for purposes of accepting or rejecting the Amended Plan (each, a "Temporary Allowance Motion"), with a hearing to be held no earlier than 14 days thereafter, or as the Court may schedule otherwise, to consider the Temporary Allowance Motions if the parties have not otherwise resolved the Temporary Allowance Motion through the submission of a stipulation temporarily allowing the claim for voting purposes only.

Treatment of Disputed, Contingent or Unliquidated Claims

10. Pursuant to section 105 of the Bankruptcy Code and Bankruptcy Rule 3003(c)(2), any holder of a claim (a) that is listed in the Schedules as disputed, contingent or unliquidated and (b) that is not the subject of a timely filed proof of claim,

shall not be treated as a creditor with respect to such claim for purposes of receiving distributions under the Amended Plan, voting on the Amended Plan or receiving additional notices in Cabrini's chapter 11 case (other than the Confirmation Hearing Notice).

Establishment of Voting Record Date

11. At 5:00 p.m. (prevailing Eastern Time) on the date on which this Order is entered (the "Voting Record Date") shall be the date and time by which the claims register maintained by KCC shall be deemed closed for the purposes of determining whether a holder of an Undersecured Claim, General Unsecured Claim or Litigation Claim (each as defined in the Amended Plan) is a record holder entitled to vote on the Amended Plan. The Debtor and KCC shall have no obligation to recognize for purposes of voting on the Amended Plan any Undersecured Claim, General Unsecured Claim or Litigation Claim transferred after the Voting Record Date. With respect to transfers of claims filed pursuant to Bankruptcy Rule 3001, the holder of a claim as of the Voting Record Date shall be the transferor of such claim unless the documentation evidencing such transfer was docketed by the Court on or before 21 days prior to the Voting Record Date and no timely objection with respect to such transfer was filed by the transferor.

Voting Deadline for Receipt of Ballots

12. Pursuant to Bankruptcy Rule 3017(c), to be counted, ballots for accepting or rejecting the Amended Plan must be received by the Debtor no later than 5:00 p.m. (prevailing Eastern Time) on March 16, 2011 (the "Voting Deadline").

13. Ballots must be addressed to:

> Kurtzman Carson Consultants LLC
> Attn: Cabrini Medical Center Balloting
> 2335 Alaska Avenue
> El Segundo, CA 90245

Procedures for Vote Tabulation

A. Ballots Counted as Acceptances

14. The following ballots will be counted and will be deemed to be cast as acceptances of the Amended Plan:

(a) any ballot timely received and properly executed that contains sufficient information to easily permit the identification of the claimant and is cast as an acceptance of the Amended Plan;

(b) any ballot timely received and properly executed that indicates neither an acceptance nor a rejection of the Amended Plan, but does contain sufficient information to easily permit the identification of the claimant; and

(c) any ballot timely received and properly executed that contains sufficient information to easily permit the identification of the claimant and indicates both acceptance and rejection of the Amended Plan.

B. Ballots Not Counted

15. Unless otherwise ordered by the Court after notice to the Debtor and a hearing, the following ballots will not be counted in determining whether the Amended Plan has been accepted or rejected:

(a) any ballot received after the Voting Deadline;

(b) any ballot that is illegible or contains insufficient information to permit the identification of the claimant;

(c) any ballot cast by (i) a creditor who has not timely filed a proof of claim with respect to the claim being voted, and whose claim either is not listed, or is listed as a disputed, contingent or unliquidated claim, on the Schedules or (ii) a creditor who has timely filed a proof of claim, which claim is the subject of a pending objection filed at least 28 days prior to the Voting Deadline, unless such creditor has had its claim temporarily allowed for voting purposes pursuant to the procedures established herein;

(d) any ballot cast by a person that does not hold a claim in a class that is entitled to vote to accept or reject the Amended Plan;

(e) any ballot returned by facsimile or other electronic transmission, or which otherwise bears a facsimile signature; and

(f) any ballot that does not contain an original signature.

C. Amount and Number; Multiple Ballots

16. Claim Amounts. Bankruptcy Rule 3018(a) provides that the "court after notice and hearing may temporarily allow the claim or interest in an amount which the court deems proper for the purpose of accepting or rejecting a plan." Thus, solely for the purpose of voting to accept or reject the Amended Plan and not for the purpose of the allowance of, or distribution on account of, a claim, and without prejudice to the rights of the Debtor in any other context, the Debtor proposes that each holder of a claim within a class entitled to vote to accept or reject the Amended Plan be entitled to vote the amount of the claim as set forth in the timely filed corresponding proof of claim (provided that the proof of claim has not been amended or superseded by a subsequently filed proof of claim) or, if no proof of claim has been filed, in the liquidated, non-contingent and undisputed amount of the claim as set forth in the Debtor's

Schedules. The foregoing procedure will be subject to the following clarifications and exceptions:

(a) If a claim is deemed allowed under the Amended Plan, the claim shall be allowed for voting purposes in the deemed allowed amount;

(b) If a claim has previously been allowed in a fixed amount by Order of the Court, then such claim shall be allowed for voting and other purposes in the allowed amount of such claim;

(c) If a claim is one for which a timely filed proof of claim is contingent or unliquidated (including Litigation Claims that have not been liquidated), or is subject to a pending request for estimation, the claim shall be temporarily allowed in the amount of $1.00 solely for voting purposes;

(d) If a claim is partially liquidated and partially unliquidated, the claim shall be allowed in the liquidated amount solely for voting purposes;

(e) If a claim has been estimated or otherwise allowed for voting purposes by order of the Court, the claim shall be temporarily allowed in the amount so estimated or allowed by the Court solely for voting purposes; and

(f) If the Debtor has served an objection to a claim at least ten days prior to the Voting Deadline, the claim shall be temporarily disallowed (except to the extent and in the manner as may be set forth in such objection) solely for voting purposes.

17. If any creditor seeks to challenge the allowance of its claim for voting purposes in accordance with the above procedures, the Debtor requests that the Court direct the creditor to serve upon the Debtor and file with the Court a Temporary Allowance Motion in accordance with the procedures set forth above. The Debtor further proposes, in accordance with Bankruptcy Rule 3018, that the ballot of any creditor

filing a Temporary Allowance Motion should not be counted unless temporarily allowed by the Court for voting purposes.

18. Ballots may be preprinted with dollars amounts of claims as reflected in the Debtor's records at the Voting Record Date. If ballots are preprinted, then the preprinted amounts shall be used in tabulating the votes unless the holder of the claim obtains an order from the Court under Bankruptcy Rule 3018(a). The amount and classification of a claim listed on a ballot shall be without prejudice to the Debtor's right to object to the claim.

19. KCC is authorized, but not directed to contact any party submitting a ballot to clarify any issues with respect to such submitted ballot if it is ambiguous or not properly completed.

20. Changing Votes. If two or more ballots are cast voting the same claim prior to the Voting Deadline, the Debtor proposes that the last properly executed ballot received prior to the Voting Deadline should be deemed to reflect the voter's intent and thus supersede any prior ballots.

21. No Vote Splitting; Effect. Creditors that vote must vote all of their claims within a particular Class under the Amended Plan to either accept or reject the Amended Plan and may not split their votes. Accordingly, a ballot (or multiple ballots with respect to multiple claims within a single Plan Class), that partially rejects and partially accepts the Amended Plan will be deemed to be and will be counted as an acceptance of the Amended Plan. For purposes of the numerosity requirement of section 1126(c) of the Bankruptcy Code, separate claims held by a single creditor in a particular

class will be aggregated as if the creditor held one claim against Cabrini in that class, and that the votes related to those claims shall be cast on a single ballot and treated as a single vote to accept or reject the Amended Plan, *provided however*, that to the extent that any creditor entitled to vote in a particular class has filed duplicative claims (meaning the claims are in the same amount, with the same classification and asserting the same basis of claim) to be voted in that class, the creditor shall be provided, to the extent possible, with only one Solicitation Package and one ballot which shall reflect the vote of only one claim.

22. In cases where a party has properly executed a ballot and has indicated correction or updates to the mailing address used in the service of its Solicitation Package, either physically on the face of the ballot, or otherwise separately enclosed with the ballot, such corrected or updated mailing address shall also be used to reflect the mailing address of the creditor in the official docket of claims against the Debtors and, unless subsequently updated, shall also be used for the purpose of the delivery of distributions, if any, to which such creditor is entitled pursuant to the Amended Plan on behalf of said claim or claims.

Service and Notice Is Adequate and Sufficient

23. Service of copies of this Order, the Amended Disclosure Statement, the Amended Plan, the Notice of Confirmation Hearing, the Solicitation Package and the other notices and documents described herein in the time and manner set forth in this Order shall be adequate and sufficient and no further notice is necessary.

24. With respect to addresses from which Amended Disclosure Statement Hearing Notices or Solicitation Packages are returned as undeliverable by the United States Postal Service and for which there is no known forwarding address, such persons or entities shall be deemed unknown creditors for notice purposes, and failure to mail copies of this Order, the Amended Disclosure Statement, the Amended Plan, the Notice of Confirmation Hearing, the Solicitation Package and the other notices and documents described herein, shall not constitute a failure to give adequate and sufficient notice to such creditors.

Authorization to Make Nonsubstantive Changes

25. The Debtor and the Committee are authorized to make nonsubstantive changes to the Amended Disclosure Statement, the Amended Plan, and related documents without further order of the Court, including without limitation changes to correct typographical and grammatical errors and to make conforming changes among the Amended Disclosure Statement, the Amended Plan, and any other materials in the Solicitation Package prior to their mailing.

Dated: New York, New York
January 26, 2011

/s/ Arthur J. Gonzalez
ARTHUR J. GONZALEZ
CHIEF UNITED STATES BANKRUPTCY JUDGE